

Now we face a crisis at home. The President has waited 2 months to create his Gulf Coast Recovery and Rebuilding Council, which he announced yesterday, and 2 months to name Donald Powell to serve as Coordinator of Federal Support for the Gulf Coast's Recovery and Rebuilding. Let us hope history is not repeating itself.

Does the administration have a plan to hold accountable those who have misused Iraq reconstruction funds, and to ensure that the same companies, or similar firms, are not handed more taxpayer dollars in massive contracting projects?

All the major multinational firms working in Iraq have "cost plus" contracts. Under such contracts, the Government reimburses companies for all their costs, plus a percentage of those costs as a fee.

I don't think that is the best way to protect the taxpayer, but that is what this administration has done. If we are going to give corporations cost-plus contracts, is it too much to ask that they take care to charge us only for legitimate costs and not to take advantage of our trust, the public trust, to sneak in millions of dollars in illegitimate expenses? Why should we give this important work to companies that will pad their expense sheets and hope that we don't catch their overbillings?

Writing big, no-bid deals was quick and easy, but it wasn't good for America, and it wasn't good for our reconstruction efforts in Iraq. The administration has shown itself unable or unwilling to manage these contracts.

America can do better than this. At home on the gulf coast, it absolutely must do so. It is time to cut off companies that gorge themselves at the public trough.

General John Abizaid, the Commander of U.S. Central Command, said recently that the key to military success in Iraq, "is whether we can learn from our mistakes."

The same holds true for our reconstruction efforts, both at home and abroad. Yet poor financial controls and questionable performance by contractors continues to squander an important part of the treasure we sink into this effort. We already have seen how FEMA and the Administration dropped the ball in planning for disaster, and in responding to the crisis.

We must not fail. The reconstruction challenge now before us is here at home.

Mr. PRYOR. Mr. President, the average American might not follow the intricacies of our budget reconciliation process. However, they do know when the government has misplaced its priorities, shirked its responsibilities and shortchanged the families who need help the most.

Given our record budget deficits, I am prepared to make tough decisions to cut government spending, but what this bill represents is a misguided effort to balance the budget on the backs of hard-working families.

I question the rationale of some of my colleagues in this body who propose providing tax breaks for multimillionaires and special interests, while cutting resources that are critical to the families of Arkansas. For example, I am particularly disappointed that this package slashes: health care by \$27 million for seniors and the poor; agriculture supports for farmers by \$3 billion.

Mr. President, I want to tell you about Maya Romney of Arkansas. A Down's syndrome patient, Maya is able to receive critical therapies through Easter Seals, allowing her to interact in a classroom setting and live more independently. Quite simply, Maya's therapy services could be in jeopardy because Easter Seals is funded primarily through Medicaid. And while this saddens me greatly, it should also sadden everyone in this body because we all have Mayas in our State or others who depend on Medicaid.

This program, that some of my colleagues look to cut, provides vital resources for persons with disabilities and seniors. In my State, almost 50 percent of our Medicaid recipients are children. Additionally, 958 beneficiaries in Arkansas right now are Hurricane Katrina evacuees.

I know that in the long-term we can find ways to save money and improve the efficiency of Medicaid—in fact the Senate has supported measures to do just that. But, it is unacceptable to impose arbitrary cuts for a program that does so much to support families. By taking away these services we are endangering the health of too many Americans.

As an Arkansan, I am particularly disappointed in proposed cuts to agriculture. I know that the chairman of the Agriculture Committee has worked hard to make sure these cuts are distributed fairly, and he has done the best he can. I commend him for that.

But now is not the time to be cutting our support of agriculture in this country. Our farmers have gone through too much in the past year—rising energy costs, drought, and storm damage. They need us now more than ever.

But instead of reaching out to help the community that feeds America, some of my colleagues have proposed slashing \$3 billion from agricultural programs, and imposing further payment limits that will dramatically hurt family farms.

Rural America is fed up. It seems as though every time this administration has needed to find revenue, whether to pay for the war in Iraq, cut the deficit, or provide relief from Hurricane Katrina, agriculture has been first on the chopping block.

Our farmers know they must do their fair share, but they are currently doing much more than that.

For the government's part, we should be investing in rural America not taking from it. There is enormous potential in rural communities and we should harness that potential to help drive our economy.

Now as I said earlier, the budget process requires us to take responsibility in balancing our books. But in the dense pages of the reconciliation package, we have lost sight of fiscal responsibility and are blithely ignoring several issues that will affect our budget for years to come.

After the Senate considers these budget cuts we will then vote on a set of tax breaks totaling \$70 billion. It is no secret that the only reason we are looking at these budget cuts is to make room for tax cuts—most of which could be argued will not make it in to the pockets of people that need it the most.

And oddly enough, some of the tax cuts that we will be voting on, such as the capital gains and dividends cuts do not even expire for another 2 years.

But even more baffling is the fact that neither this budget bill or the tax cut bill we will consider in the coming weeks takes into account the billions of dollars we have spent and will continue to spend in Iraq. Neither bill takes into account the billions of dollars we have spent and will spend in the gulf coast.

I have voted for tax cuts in the past, and I will vote for them in the future but if we were truly being honest brokers this body would have the courage to look at all of our fiscal issues in a single package. Instead, we seem content to legislate in a vacuum where we refuse to recognize the reality of our fiscal situation.

We separate tax cuts bill from the budget bill, and the budget bill from emergency spending bill because deep down we know that we are wrong. We know that if we were to look at this fiscal puzzle as a whole, there would be no way to justify our actions. We would have to finally admit that we are being fiscally irresponsible.

Overall, this measure shows America that their government is willing to turn their backs on the families who need our help the most in order to provide favors for special interest groups. I cast my vote in opposition to this bill: it does not reflect my priorities, and it certainly does not reflect America's priorities.

Mr. President, I would like to express my serious concerns about efforts today, and possibly during the conference committee, that could dramatically cut Medicaid funding through this bill. Medicaid provides vital services for millions of Americans, especially persons with disabilities, children, and seniors. As we all know, access to health care is critically important for improving the quality of life and promoting greater independence for these individuals.

In my State alone, 17 percent of Arkansans depend on the Medicaid Program. An additional 1,000 Hurricane Katrina evacuees currently residing in Arkansas are receiving their health care through the State's Medicaid Program. It is essential that State Medicaid Programs and patients get the